

Lanesboro Economic Development Authority (EDA)

Special Meeting – September 27, 2017

Minutes

The meeting was called to order by President Edwards at 5:15 PM

Members Present: Michael Brown, Phil Dybing, Elaine Edwards, David Gray, Tom Smith

Members Absent: Jason Resseman

Ex Officio: Administrator/Treasurer Peterson

Guests Present: Char Brown, Shanalee Erwin

Meeting for the consideration of an EDA loan:

Ms. Edwards opened the meeting by stating the purpose as consideration of an urgent loan request to assist a business owner to reopen after a fire.

Ms. Erwin briefed the members on her request for \$5000.00 with the use of funds to be:

- Cover mortgage and insurance payments until the full insurance claim is settled
- Purchase a minimal amount of inventory to restart the business
- Address incidental expenses associated with reopening pending the insurance settlement.

The members of the EDA discussed past loans and the parameters of the loan requested by Ms. Erwin. Mr. Brown moved, and Mr. Gray seconded to provide the following:

- \$5000.00
- 120 day term limit
- 1% annual interest rate

All members voted in favor and motion carried.

The members discussed the legal instrument to be used to establish the loan. Mr. Brown provided a simplified loan agreement and the city attorney provided a more encompassing agreement. Due to the urgent nature of the request the EDA felt the more detailed agreement should be reviewed and adopted for future use. Mr. Brown moved to use the simple agreement for this loan. Second by Mr. Dybing. All members voted in favor. Motion carried

Mr Gray moved to strike clause 6 of the loan agreement. Second by Mr. Smith. Motion carried.

Motion to Adjourn: Mr. Gray. Second by Mr. Brown. Motion carried. Adjourned at 5:49 PM